

TO: Senate Health Policy Committee Members

FROM: Chris Mitchell, Vice President, Government & Political Affairs

DATE: September 29, 2015

SUBJECT: Senate Bill 352: AARP CARE Act

MHA Position: **OPPOSE**

The Michigan Health & Hospital Association strongly opposes Senate Bill 352, introduced by Senator Margaret O'Brien (R-Portage), which would create the Caregiver Advise, Record, Enable (CARE) Act. **As one of the state's largest private-sector employers, the MHA and Michigan hospitals oppose the bill because it creates 21 new state mandates on hospitals that are redundant and will do very little to reduce readmissions or improve patient care.**

As currently drafted, Senate Bill 352 is repetitive of current hospital policies and Centers for Medicaid & Medicare Services (CMS) regulations. Today, there are a multitude of rules and regulations that exist to guide, direct and/or dictate hospital-based provider activities to prepare patients and their caregivers for discharge. To qualify for Medicare certification and reimbursements, providers and suppliers of health services must comply with minimum health and safety standards. These standards are termed "Conditions of Participation" (CoPs). All of the provisions in Senate Bill 352 are already currently required by CMS CoPs. The table below outlines five CoPs that all hospitals must comply with through written documentation to maintain their status as a Medicare provider.

Senate Bill 352 offers nothing demonstrative in reducing readmissions. CMS has already instituted hospital monetary penalties for patient readmissions within 30 days of discharge. Michigan hospitals are fully engaged in the CMS Bundled Payment Care Initiative (BPCI). The BPCI defines the episode of care as the inpatient stay in the hospital and all related service needs up to 90-days post discharge. The bundled payment places the hospital at significant financial risk if the patient and the patient care providers are not well prepared and supported for success post-hospitalization. Many hospitals have hired patient navigators or extended care managers and/or invested in technology to support the patient and caregivers as they transition to home to ensure that they can be successful at home post hospital discharge.

To assist our members with care transitions, the MHA Keystone Center for Patient Safety & Quality is helping hospitals identify readmissions to their hospital and other hospitals to improve the coordination of care. **As a result, there were 10,500 fewer unplanned readmissions in 2014 compared to 2013. Further, more than \$100 million was saved in healthcare costs last year due to Michigan hospitals' efforts to reduce readmissions. These results were achieved with zero additional government mandates or regulations.**

It is important to note that during this unprecedented time of change in healthcare, the MHA and Michigan hospitals are at the forefront of transforming the way care is provided. All Michigan hospitals are focused on providing safe, accessible and affordable patient-centered care for all, and they are finding innovative solutions to coordinate care to better serve their patients and communities. Any legislation pursued in Michigan should not be overly duplicative or inhibit the best practices that are currently in place in hospitals across the state. **The MHA urges you to oppose Senate Bill 352 to prevent these duplicative regulations from being placed on Michigan hospitals.**

Model CARE Act	Senate Bill 352	Current CMS CoPs *Compliance with CMS is assessed through written documentation
Record the name of the caregiver when a patient is admitted into a hospital or rehabilitation facility	Sec. 5 (1): A hospital shall provide each patient...an opportunity to designate at least 1 caregiver following the patient's entry into a hospital...	482.13 (b) (4): The patient has the right to have a family member or representative of his/her choice...and this person is notified promptly of his/her admission
Notify the caregiver if the patient is to be discharged to another facility or back home	Sec. 7: A hospital shall notify the patient's designated caregiver of the patient's discharge or transfer to another facility as soon as possible...	482.13 (a) (1): A hospital must inform the patient, or when appropriate, the identified patient representative...In advance of furnishing or discontinuing care
Provide the caregiver an explanation and live instruction of any medical tasks that the caregiver will need to perform at home	Sec. 9 (2): The hospital issuing the discharge plan must provide caregivers with instructions in all after-care assistance tasks described in the discharge plan. Training and instructions for caregivers may be conducted in person or through video technology, at the discretion of the caregiver.	482.43 (b) (1): The patient and family member of identified interested persons must be counseled to prepare them for post-hospitalization. 482.42 (b) (6): The hospital must include the discharge plan in the patient's medical record and must discuss the plan with the patient or individual acting on his/her behalf 482.23 (c) (3) (iii C): Hospital must provide instruction to the patient (and/or patient caregiver) in safe and accurate medical tasks (in this standard medication administration).

Please contact Chris Mitchell at (cmitchell@mha.org) or (517) 703-8622 at the MHA if you have further questions on this issue.